Council to which all Governments, everyone, give money for the purpose of somehow developing the North-East. I think, the fundamental thing is—the real Minister of Civil Aviation is not here—that he should focus more on the North-East as he should focus more on Amritsar. But that is another story. (*Interruptions*)...

SHRI PREM CHAND GUPTA: Sir, it is incorrect to say...(*Interruptions*)... Dr. Gill is a senior Member of the House. He is an eminent person. He is saying that the North-East is really being neglected. It is not, in my opinion, justified. He must understand one thing that, as I said earlier, the Alliance Air has its maintenance base in Kolkata and as it uses all the ground-handling facilities of the Indian Airlines, local people are employed there. There are 202 local people, who are working in the North-East, from the North-East. (*Interruptions*)...

SHRI MATILAL SARKAR: Kolkata is not North-East. (*Interruptions*)...

SHRI KARNENDU BHATTACHARJEE: This is wrong. (*Interruptions*)...

SHRI PREM CHAND GUPTA: I know that. (*Interruptions*)...

SHRI MATILAL SARKAR: Kolkata is not North-East. (*Interruptions*)...

SHRI PREM CHAND GUPTA: Please listen to me. I will reply to all you questions. There are 249 employees of the Indian Airlines who are working for the North-East. Out of these, 202 are locals. What more do you want?

MR. CHAIRMAN: That is all right. Question No. 85.

Insurance of farmers

*85. SHRI R.K. ANAND: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Agriculture Insurance Company of India Ltd. has, since its inception, insured 18 million farmers; and

(b) if so, whether the Varsha Bima Scheme is not getting any support from Government?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) A Statement is laid on the Table of the House.

(a) The Agriculture Insurance Company of India Ltd. (AICL) has reported that since its inception in December 2002, it has insured 2,86,11,127 farmers, upto Rabi 2004-05 under the National Agricutural Insurance Scheme (NAIS). It has insured 1,25,453 farmers during Kharif 2005 under the Varsha Bima Scheme.

(b) AICL, has launched the Varsha Bima Scheme purely as an insurance product without Government subsidy.

SHRI R.K. ANAND: Mr. Chairman, Sir, in reply to my question the hon. Minister has given the precise number of farmers who are insured. What is the percentage of farmers in the whole of India who are covered by this scheme? What steps are being taken to create awareness about this scheme among other farmers?

SHRI P. CHIDAMBARAM: Mr. Chairman, Sir, the estimated number of farmer families in this country is approximately ten crores. Approximately, at the end of last year, 4.67 crores had access to any kind of institutional credit. So, we are talking about a very small proportion of farmers who are covered under insurance. This scheme, which is now being implemented by the NAIS, is mandatory for all farmers who availed of a crop loan from a bank. It is optional for non-loanee farmers. As bank credit increases, as more and more farmers access institutional credit from public sector banks, the number of farmers who are covered under this scheme will increase. But for non-loanee farmers, of course, this scheme is optional. Non-loanee farmers cannot be compelled to take insurance. The other scheme, which has been introduced recently, that is, the Varsha Bima Scheme, is a pure insurance scheme with no element of subsidy in it. That scheme has attracted a sizeable number of people. But I admit that the numbers are not very large. The numbers are expected to grow. But it is a pure insurance scheme. In the absence of subsidy, many farmers may not think it advantageous to them to come under the scheme.

SHRI R.K. ANAND: Is there any proposal to cover apple crop which is spoiled by hailtorms, which is a common phenomenon in Himachal Pradesh?

SHRI P. CHIDAMBARAM: Sir, at the moment, the NAIS covers paddy, wheat, jowar, bajra, maize, ragi, kora, kodokuki, green gram, black gram, red gram, horse gram, oil seeds, sugarcane, cotton and potato. Whether it should be extended to the horticultural crops, it is a matter that can be considered.

SHRI A. VIJAYARAGHAVAN: Sir, because of lack of the subsidy element, this crop insurance scheme has miserably failed to assist the farming community in the country. As per the reply of the hon. Minister, the total number is 4.67 crores. They have adopted some area system here. Because of this area system, a majority of the people are not getting this benefit. Naturally, it should be revamped to help the farmers. This scheme should not be implemented because it has totally failed. Naturally, you need to change the area and also the unit. A total revamping is needed. What is the view of the hon. Minister in this regard?

SHRI P. CHIDAMBARAM: Sir, the Ministry of Agriculture is engaged in a thorough review of the scheme. As I indicated in the Budget Speech, there are three options under consideration. It is for the Ministry of Agriculture to come up with their final views, and then, the Government will consider them.

श्री दत्ता मेघे: सभापति महोदय, जो भी बीमा कम्पनीज़ हैं जो क्रॉप इंश्योरेंस निकालते हैं, उनके क्लेम नहीं मिलते हैं। हमारे विदर्भ में तो बहुत से किसान आत्महत्या कर रहे हैं। यह जो इंश्योरेंस होता है, जो लोन लेता है, उसका प्रीमियम तो काट लेते हैं लेकिन जब फार्मर का, किसान का नुकसान होता है, तब उसको पैसे नहीं मिलते हैं। इसलिए यह स्कीम फेल हो गयी है। जिसका नुकसान होता है, जिससे आप प्रीमियम लेते हो, उसको क्लेम देना आपकी जिम्मेदारी होती है। इस संबंध में मंत्री महोदय का क्या कहना है? क्लेम नहीं मिलता है। ...**(व्यवधान)**... किसानों को कोई क्लेम नहीं मिलता है और जबर्दस्ती पैसे काट लेते हैं। इसलिए ऐसी स्कीम देने से क्या फायदा है? हमारे विदर्भ में किसान आत्महत्या कर रहे हैं। ...**(व्यवधान)**... कितने क्लेम दिए हैं? किसानों को कोई क्लेम नहीं दिया है।

SHRI P. CHIDAMBARAM: Sir, this scheme, as far as the insurance company is concerned, is a loss-making scheme. Yet, the Government has continued with this scheme pending examination of a better scheme because we believe that this scheme provides some insurance cover, even it under some very strict conditions, to, at least, a part of our farmers. For example, Since the Agriculture Insurance Company of India came into being and took over this scheme, from Rabi 1999-2000 to Rabi 2004-05, the total premium collected under this scheme is Rs. 1,777 crores whereas the claims paid under the scheme is Rs. 5,697 crores. The outstanding claims payable is only Rs. 218 crores. Therefore, this scheme is a loss-making scheme. Yet the insurance company and the Government are continuing with the scheme because in the absence of a better scheme,

this is the only scheme which provides some measure of relief in, at least, some of the cases where farmers are affected by flood or other calamities of crop failure. As I said, the Ministry of Agriculture is engaged in a thorough re-examination of the question of crop insurance. As and when they come up with a better proposal, the Government will consider that proposal.

SHRI RAVULA CHANDRA SEKAR REDDY: Sir, recently, the Ministry of Agriculture has conducted a study on the farmers' suicides through an organisation called MANAGE. They have submitted a report to the Ministry wherein they have mentioned about crop insrance and its implications and complications. In view of its Report, will the Government consider bearing of the premium of small and medium farmers and further simplify the National Agriculture Insurance Scheme?

SHRI P. CHIDAMBARAM: Sir, I cannot recall having seen that Report. I will pass on the supplementary to my colleague in the Ministry of Agriculture.

*86 [The questioners (PROF. R.B.S. VERMA and SHRI PYARELAL KHANDELWAL) were absent. For answer *vide* page 34.]

Non-allotment of new LPG connections

*87. SHRI TARIQ ANWAR:†
SHRI KARNENDU BHATTACHARJEE:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that there is acute shortage of LPG cylinders in the country;

(b) if so, the details thereof;

(c) whether it is also a fact that undertakings like Indian Oil and Hindustan Petroleum have directed its LPG dealers to stop allotting new LPG connections; and

(d) if so, what steps have been taken by Government?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (d) A statement is laid on the Table of the House.

†The question was actually asked on the floor of the house by Shri Tariq Anwar.